

1900 K STREET, N.W. WASHINGTON, D.C. 20006-1109

TEL 202 • 955 • 1500 FAX 202 • 778 • 2201

WILLIAM SILVERMAN
DIRECT DIAL: 202-419-2013
EMAIL: wsilverman@hunton.com

FILE NO: 59808.000002

PUBLIC VERSION

VIA ELECTRONIC MAIL

The Honorable Robert B. Zoellick United States Trade Representative 600 17th Street, N.W. Washington, D.C. 20508

Re: Section 201 Investigation -- Carbon and Alloy Flat Products - Hot-Rolled

Dear Ambassador Zoellick:

On behalf of SSAB Tunnplat AB ("SSAB") a producer of certain carbon steel products, we hereby submit the attached exclusion request brief in the above-referenced investigation.

In accordance with 15 C.F.R. § 2003.6, we request confidential treatment of information contained in brackets on certain pages and exhibits. Disclosure of this information, which contains business proprietary information of SSAB, would cause substantial harm to SSAB. Specifically, the bracketed information concerns internal SSAB accounting data which we have ranged as requested, as well as proprietary detailed product specifications. Public summaries of the specifications for each product are contained in the text of the brief.

The Honorable Robert B. Zoellick November 13, 2001 Page 2

Please contact the undersigned if you have any questions regarding this matter.

Respectfully submitted,

William Silverman Douglas J. Heffner

Richard P. Ferrin

James R. Simoes

Hunton & Williams

Counsel to SSAB Tunnplat AB

Attachments

BEFORE THE UNITED STATES TRADE REPRESENTATIVE WASHINGTON, D.C.

PUBLIC VERSION

CERTAIN STEEL PRODUCTS)	U.S. Inv. No. 201-73 (Remedy Phase)
Carbon and Alloy Flat Products - Hot-rolled)	
)	

REQUESTS FOR EXCLUSIONS OF SSAB TUNNPLAT AB

William Silverman
Douglas J. Heffner
Richard P. Ferrin
James R. Simoes
Hunton & Williams
1900 K Street, N.W.
Washington, D.C. 20006

Counsel to SSAB Tunnplat AB

November 13, 2001

I. Because Domestic Products Are Not Suitable Substitutes For SSAB's DOMEX Hot-Rolled Products, DOMEX Products Should Be Excluded From Any Import Relief.

SSAB Svenkst Stal AB ("SSAB"), hereby requests the exclusion of certain hot-rolled products from relief in the above-referenced investigation. SSAB is a Swedish producer of a wide range of products, including the hot-rolled products discussed herein, that are necessary to the operations of its customers. SSAB customers primarily use the products discussed herein primarily in the manufacture of cranes, truck frames, or other load bearing equipment operated in cold-weather conditions.

Product Designation and Description

The hot-rolled products produced by SSAB are sold under the brands names DOMEX 100, DOMEX 110, DOMEX Wear, DOMEX Weather Resistant, DOMEX Defend 250, DOMEX Defend 300 and DOMEX Defend 500. DOMEX products enter the United States under HTS numbers 7225.30.3050, 7208.39.0015, 7225.30.7000, 7208.36.0030, 7208.37.0030, and 7208.38.0015. There is no ASTM standard for these extra high strength material grades because of their unique mechanical properties. DOMEX products have the specifications and chemical compositions listed below:

Mechanical Properties and Dimensions

	Domex 100	Domex 110	Domex Wear (Typical)	Domex Weather Resistant
Yield Strength (minimum ksi)	100,000	110,000	(115,000)	80,000 & 100,000
Tensile Strength (minimum ksi)	110,000	118,000	(135,000)	85,000 & 105,000
Elongation %	15	15	15	18
Bendability	1.6 –1.8xt	1.6-1.8xt	2xt	1xt
Thickness Range	.079"437"	.079"437"	.118"250"	.093"250"
Width Range	35"-63"	35"-63"	35"-63"	35"-50"
Impact Toughness	20ft.lbs at -40F°	20ft.lbs at -40F°	20ft.lbs at –4F°	20ft.lbs at –40F°

	Domex Defend 250	Domex Defend 300	Domex Defend 500
Hardness	250 H _V	300 H _V	500 H _V
Thickness Range	.118"236"	.118"236"	.079"236"
Width Range	35"-49"	35"-49"	35"-49"

Chemical Composition Typical Values

Domex Defend	С	Si	Mn	P	S	Al	Micro Alloying Elements
250	.12	0.4	2.0	0.025	0.010	0.015	Nb, V,Ti,Mo

300	.17	0.3	1.8	0.025	0.010	0.04	Cr, Mo, Ti
500	.29	0.3	1.3	0.035	0.025	-	Cr, Ni, Mo, B

Chemical Composition

	C Max.	Si Max.	Mn Max.	P Max.	S Max.	Al Min.	Cb Max.	Ti Max.
Domex 100	.12	0.60	2.0	0.025	0.010	0.015	0.09	0.20
Domex 110	.12	0.60	2.1	0.025	0.010	0.015	0.09	0.20

TV= Typical	C	Si	Mn	P	S	Cr	Mo	Al	Ti
Values	TV	TV	TV	TV	Max.	TV	TV	TV	TV
Domex Wear	0.17	0.3	1.8	0.01	0.01	0.3	0.1	0.04	0.16

	C Max.	Si Max.	Mn Max.	P Max.	Cu Max.	Cr. Max	Micro Alloying Elements
Domex Weather Resistant	0.10	0.45	0.80	0.12	0.35	0.95	Added

Basis For Requesting An Exclusion

SSAB requests the exclusion of DOMEX products on the basis that domestic steel producers do not supply a suitable alternative to the market. It is our understanding that LTV produces hot-rolled products intended for cold weather similar to DOMEX 100 and DOMEX 110, but these products cannot match the cold-weather impact toughness of DOMEX. As stated by Mr. Rick Dougherty, Trading Manager for Cargill Ferrous International, a domestic distributor of steel products from various producers, the impact toughness of 20 ft.-lbs. at -40° makes DOMEX unique. "No similar domestically produced products can meet this requirement. Impact toughness is critical in the construction of cranes, truck frames or any load bearing equipment that operates in cold weather climates. When exposed to extreme cold weather conditions, the steel in these machines is more susceptible to cracking and SSAB's products allow manufacturers to produce products that allow users to operate them safely in cold weather climates." The use of domestic products instead of DOMEX would amount to a compromise in safety by SSAB customers. Accordingly, no domestic product is a viable aleternative.

With respect to DOMEX products other than DOMEX 100 and DOMEX 110, it is our understanding that no domestic producers supply products that are at all similar. Accordingly, all DOMEX products should be excluded from relief.

¹ Letter from Rick Dougherty, Cargill Ferrous International, to the United States Trade Representative dated November 13, 2001.

DOMEX products are of higher quality than domestic alternatives, and are accompanied by consistently superior service and delivery, and unmatched technical support. Domestic products are not as consistent, have lower impact properties, have larger tolerances on thickness, and are not offered in as wide a range of dimensions as DOMEX. SSAB's domestic consumers pay a premium over domestic products because of these factors.

Other Producers

Products comparable to DOMEX 100 and DOMEX 110 in yield strength are produced by LTV in the United States. Because of the impact toughness of DOMEX 100 and DOMEX 110 discussed above, however, domestic products are not suitable substitutes for DOMEX products. These products are also produced by Hoesch and Thyssen in Germany, Usinor in France, Voest Alpine, Austria, and Hoogovens in Holland.

Domestic consumption

SSAB imported [9000] metric tons of DOMEX in 1996, [9000] metric tons in 1997, [19,000] metric tons in 1998, [7,000] metric tons in 1999, and [11,000] metric tons in 2000. SSAB forecasts demand for DOMEX to increase by approximately 5 percent per year from 2001 to 2005.

Domestic Production

These products are not produced domestically.

Domestic Substitutes

There are no suitable domestic substitutes for DOMEX products. The only known domestic alternative to DOMEX is produced by LTV. For the reasons stated above, the LTV product is not a substitute for DOMEX. SSAB is unaware of LTV's production volume for this product.

II. CONCLUSION

For the reasons stated herein, DOMEX products imported by SSAB should be excluded from Section 201 relief.

Respectfully submitted,

William Silverman

Douglas J. Heffner

Richard P. Ferrin

James R. Simoes

Hunton & Williams

Counsel to SSAB Tunnplat AB